

Members

Rep. Vern Tincher, Chairperson
Rep. B. Patrick Bauer
Rep. Larry Buell
Sen. Lawrence Borst
Sen. Lindel Hume



COMMISSION ON STATE TAX AND FINANCING POLICY

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MEETING MINUTES¹

Meeting Date: September 19, 2002
Meeting Time: 10:00 A.M.
Meeting Place: State House, 200 W. Washington St., Room 404
Meeting City: Indianapolis, Indiana
Meeting Number: 1

Members Present: Rep. Vern Tincher, Chairperson; Rep. B. Patrick Bauer; Rep. Larry Buell; Sen. Lawrence Borst; Sen. Lindel Hume.

Members Absent: None.

Rep. Tincher called the meeting to order at 10:20 A.M. The Commission met to hear reports on the progress on the ongoing general reassessment of real property and the implementation of annual adjustments to the assessed value of real property that are scheduled to begin in 2006.

The testimony began with Lisa Acobert, Commissioner of the Department of Local Government Finance, updating the Commission on the status of the general reassessment as reported by the various Indiana counties.

Commissioner Acobert reported that 49 of Indiana's 92 counties are expected to mail notices of reassessment (known as a Form 11) by February 2003. The notices in the remaining counties will be mailed throughout the spring and summer of 2003 as the

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counties complete the general reassessment. Some counties will experience cash flow problems as property tax bills will be delayed until after the reassessment is completed and the Form 11s are mailed. Commissioner Acobert noted that billing delays have occurred following previous reassessments in Indiana and will not be a problem unique to the current reassessment. A detailed summary of the Commissioner's remarks is available as Exhibit A.

Judith Sharp, Monroe County Assessor, provided the Commission with a progress report on the general reassessment in Monroe County. Ms. Sharp reported that data collection relating to Monroe County's 60,000 parcels has been finished for over a year, her software has been up and running for six months, and that equalization is scheduled for early October. Ms. Sharp expects to finish by the end of year and mail the notices of reassessment shortly thereafter.

The members of the Commission discussed various aspects of the general reassessment with Ms. Sharp, including the prospect of appeals, potential shifts in the property tax burden, software, and determining neighborhood values. With regard to determining neighborhood values, Ms. Sharp suggested that Indiana law should require the closing statement from real estate transactions to be attached to the required sales disclosure form. Ms. Sharp added that the sales disclosure form should be public information and available to every level of state and local government.

Ann Denney, Owen County Assessor, reported that Owen County expects to send Form 11s by the first of January. Ms. Denney stated that despite mapping problems, data collection and data entry are complete in Owen County. Ms. Denney reported only minor computer glitches.

Stacey Lopshire, Chief Deputy Assessor, Allen County, reported that Allen County has nearly completed the data collection phase of the reassessment. She anticipates that data entry will require about twelve weeks to complete. Ms. Lopshire predicted that the county will mail notices of reassessment in the spring just before tax bills are mailed. Ms. Lopshire shared Ms. Sharp's concerns about the information contained in sales disclosure forms. She reported that disclosed sales prices were often lower than actual sales prices. She agreed that the closing statement should be attached to the sales disclosure form.

Professor Larry DeBoer, Purdue University, addressed the topic of annually updating assessed values. Professor DeBoer reviewed the number of states that require annual updating and discussed the methods employed by these states. An outline of Professor DeBoer's remarks is available as Exhibit B.

Representative Tinchler adjourned the meeting at 11:29 A.M.